

**REMARKS**

This amendment is submitted in response to the Official Action mailed March 31, 2005. In view of the above claim amendments and the following remarks, reconsideration by the Examiner and allowance of the application is respectfully requested.

In the Official Action, the Examiner did not include Claim 47 in any of the prior art rejections, which is gratefully acknowledged. Accordingly, claim 1 – 40 have been canceled without prejudice and Claim 41 has been amended to add the limitations of Claim 47, which is now canceled. Claim 41 has also been amended to limit the subject matter to parent-child transactions, which is generally disclosed throughout the specification. Applicants reserve the right to file a Continuation Application directed to original Claims 1 – 55 with evidence of a date of invention prior to the filing date of the reference cited under 35 U.S.C. §102(e).

In particular, Claim 41 is now directed to a method for allocating parental funds in pre-established accounts for use by children by providing a primary account file containing parental funds for allocation to at least one child, creating a secondary account file accessible by a child for spending on audio and video entertainment in the form of goods and services, and periodically transferring to the secondary account file at least a portion of the funds in the primary account file for use by the child. As noted above, this represents the combined subject matter of Claims 41 and 47 that is further limited to parent-child transactions, and does not introduce new matter.

Claims 42, 43, 45, 46 and 48 have been amended to conform to the changes to Claim 41, which does not introduce new matter. Claim 49 has been amended to depend from Claim 41, to overcome the Examiner's objection to Claim 49 for failing to further limit Claim 48, which also does not introduce new matter.

Finally, new Claims 56 – 58 are added. Claim 56 is directed to the primary account being a bank or credit account, which is disclosed in the specification at page 8, lines 13 – 21, and from

Applicant(s): Picciallo, et al.

Application No: 09/781,715

Page 6

page 9, line 30 to page 10, line 2 (see paragraphs [0037] and [0043] of the published application, US 2001/0034703). Claim 57 is directed to the secondary account being an internet account. Internet accounts are disclosed in the specification at page 10, lines 1 – 2, and page 16, lines 1 – 13 (see paragraphs [0043] and [0059] of the published application). Claim 58 is directed to funds being spent on audio or video entertainment over the internet. This is also disclosed in the specification at page 16, lines 1 - 13 (paragraph [0059] of the published application). New claims 56 – 58 therefore do not introduce new matter.

In view of the above claim amendments, the within application is believed to be in condition for allowance. Reconsideration of the rejections made by the Examiner is therefore respectfully requested.

Turning to the Official Action, Claims 1 – 55 were rejected under 35 U.S.C. §112, second paragraph for failing to particularly point out and distinctly claim the subject matter of the invention. The Examiner stated that the limitation “each customer” in the independent claims lacked antecedent basis. This rejection is respectfully traversed in view of the above claim amendments with the reasons set forth hereinafter.

Claims 1 – 40 have been cancelled without prejudice. Claim 41, the remaining independent claim has been amended to replace the “each customer” term with the term “a child,” for which there exists antecedent basis. By amending Claim 41 in this manner this rejection under 35 U.S.C. §112, second paragraph has thus been overcome. Reconsideration by the Examiner and withdrawal of this rejection is therefore respectfully requested.

Next, Claims 9, 25 and 49 were objected to under 35 C.F.R. §1.75(c) as being of improper dependent form for failing to further limit the subject matter of a previous claim because it recited the same limit on transaction amount as the independent claim. This rejection is respectfully traversed in view of the above claim amendments for the reasons set forth hereinafter.

Applicant(s): Picciallo, et al.

Application No: 09/781,715

Page 7

Claims 9 and 25 have been cancelled, without prejudice. The transaction amount limit of Claim 49 is not contained in independent Claim 41, but is found in Claim 48 from which Claim 49 depends. Applicants disagree that Claim 49 fails to limit Claim 48. Claim 48 covers subject matter not contained in Claim 49, so that Claim 49 does in fact further limit Claim 48. However, to resolve this issue, Applicants have amended Claim 49 to depend instead from Claim 41, which does not already contain the limitation of Claim 49. By amending Claim 49 in this manner, this objection under 35 C.F.R. §1.75(c) has thus been overcome. Reconsideration by the Examiner and withdrawal of this objection is therefore respectfully requested.

Claims 1 – 4, 9, 12, 16 – 20, 25, 28, 31 – 44, 48, 49 and 52 were rejected under 35 U.S.C. §102(e) as being anticipated by Nakano et al., U.S. Patent No. 5,845,260. With respect to remaining Claims 41 – 44, 48, 49 and 52, Nakano et al. was cited as disclosing the subject matter of Claims 1 – 4, which the Examiner considered to also anticipate Claims 41 – 44, 48 and 49. Nakano et al. was also cited as disclosing the video game purchasing subject matter of Claim 52. This rejection is respectfully traversed for the reasons set forth hereinafter.

Claim 41 contains a limitation not found in Claim 1 that is not disclosed by Nakano et al. Accordingly, even if it were proper to reject Claim 1 as anticipated by Nakano et al., it does not follow that Claim 41 is also anticipated. In particular, Claim 41 requires a periodic transfer of parental funds to a child. Claim 1 does not require a periodic fund transfer, nor is this disclosed by Nakano et al.

Because Nakano et al. does not disclose this feature of Claim 41, then Claim 41 and Claims 42 – 44, 48, 49 and 52 are not anticipated by Nakano et al. under 35 U.S.C. §102(e). Reconsideration by the Examiner and withdrawal of this rejection is therefore respectfully requested.

Next, Claims 5 – 8, 10, 11, 21 – 24, 26, 27, 32 – 40 , 45, 46, 48, 50 and 51 were rejected under 35 U.S.C. §103(a) as being obvious in view of Nakano et al. in view of Sweetser et al. The Examiner stated that Sweetser et al. disclosed the subsidiary accounts of Claim 47, even though

Applicant(s): Picciallo, et al.

Application No: 09/781,715

Page 8

Claim 47 was not included among the claims rejected in view of the combined teachings of Nakano et al. and Sweetser et al. The Examiner also acknowledged that Nakano et al. did not specifically disclose periodic fund transfers but cited Sweetser et al. as disclosing a periodic allowance. This rejection is respectfully traversed in view of the above claim amendments for the reasons set forth hereinafter.

Claim 41 has been amended to incorporate the limitations of Claim 47, because Claim 47 was not included among the initial list of claims rejected in view of the cited combination of prior art. Furthermore, the Claim 47 limitations now incorporated into Claim 41 are neither taught nor suggested by Sweetser et al. Nor does Sweetser et al. disclose the periodic fund transfers for which the Examiner also cites this publication.

Amended Claim 41 is now directed to a method in which money is transferred periodically from a parent's preestablished account to a secondary account established for a child to use for spending on audio and video entertainment in the form of goods and services. Sweetser et al. disclose a device for allocating the amount of time one or more children are permitted to watch television. While several sub-accounts are established for various children, each account is loaded with time, which is not taken from anybody else's account. After the child uses up the allocated time, the device prohibits them from watching television.

In other words, time is never transferred from a parent to a child in the method employed by Sweetser et al. A parent who gives a dollar to a child has one less dollar in their pocket. A parent who allocates an hour for a child to watch television does not have one less hour in their day.

Sweetser et al. apparently has been cited because it uses the term "allowance." However, in Sweetser et al., this term refers to the time allocated to a child for watching television. In this context the term is being used synonymously with the term "permission." In the present application the term "allowance" refers to a stipend, or periodic gift of money.

Applicant(s): Picciallo, et al.

Application No: 09/781,715

Page 9

Sweetser et al. at best motivates one of ordinary skill in the art to modify the teachings of Nakano et al. to limit the amount of time children can use the Nakano et al. system to purchase entertainment goods or services on the internet. There is no control over how much money can be spent during the time allowed. That is, there is no teaching or suggestion in Sweetser et al. to modify Nakano et al. transfer money periodically from a preestablished parental account to children using the Nakano et al. system to purchase entertainment goods or services over the internet. This can only be learned by reading the present patent specification.

Accordingly, amended Claim 41 and the claims depending therefrom patentably define over the combined teaching of Nakano et al. and Sweetser et al. under 35 U.S.C. §103(a). By amending Claim 41 this rejection has been overcome. Reconsideration by the Examiner and withdrawal of this rejection is therefore respectfully requested.

Next, Claims 13 – 15, 29 – 31 and 53 – 55 were rejected under 35 U.S.C. §103(a) s being obvious in view of Nakano et al. in view of Hunter et al., U.S. Patent No. 5,485,519. The examiner acknowledged that Nakano et al. did not teach downloading videos and limiting access to video titles according to content rating, but considered it obvious in view of Hunter et al. to the extent this was not already well-known. This rejection is respectfully traversed in view of the above claim amendments for the reasons set forth hereinafter.

Claims 53 – 55 depend from Claim 41 and are directed to allowable subject matter by the features of Claim 41 discussed above. This rejection under 35 U.S.C. §103(a) has been overcome by the amendments to Claim 41. Reconsideration by the Examiner and withdrawal of this rejection is therefore respectfully requested.

Finally, the Examiner noted that the Information Disclosure Statement that was filed on October 4, 2001 failed to comply with 37 C.F.R. §1.98(a)(2) because a legible copy of each cited foreign patent document and non-patent literature publication was not provided. However, because these documents were cited during the pendency of the parent application, copies were not required to be provided pursuant to 37 C.F.R §1.98(d). However, as a courtesy to the

Applicant(s): Picciallo, et al.  
Application No: 09/781,715  
Page 10

Examiner, a Supplemental Information Disclosure Statement is submitted herewith, listing and providing copies of those documents for which Applicant is able to locate copies.

Accordingly, in view of the above claim amendments and the foregoing remarks, this application is now in condition for allowance. Reconsideration is respectfully requested. However, the Examiner is requested to telephone the undersigned if there are any remaining issues in this application to be resolved.

Finally, if there are any additional charges in connection with this response, the Examiner is authorized to charge Applicant's deposit account number 19-5425 therefor.

Respectfully submitted,



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